

**COUNCIL CHAMBERS
1670 STIEGER LAKE LANE
VICTORIA, MINNESOTA**

MINUTES

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CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Funk called the regular City Council meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

Roll Call:

Members Present: Mayor Tom Funk; Council members Jim Crowley, Tom Gregory, Tom Strigel, and Tom Vogt.

Absent: None

Staff Present: Interim City Manager Doug Reeder, Public Works and Park and Recreation Director Ann Mahnke, Community Development Director Pat Smith, Human Resources/ Communications Manager Gwen Campbell, City Engineer Cara Geheren, and City Attorney Robert Vose.

Others present: Council elect Judy Black and Deb McMillan,

There were 40+ people in attendance.

ADOPT AGENDA

Council Member Gregory stated that he would like to see Agenda item 5F, "Victoria Residents First" Facebook, removed from the agenda because it will likely be a contentious issue, and residents would like the fighting to stop. He stated that there are other ways to address these issues, and he would like the Council to look for ways to come to consensus. There was discussion among Council Members.

On a motion by Council Member Gregory, seconded by Mayor Funk, to remove Agenda item 5F.

Funk: Aye, Gregory: Aye, Strigel: Nay, Vogt: Nay, Crowley: Nay

Motion fails three/two.

On a motion by Mayor Funk, seconded by Council Member Gregory, to adopt the Agenda as submitted.

Motion carried unanimously.

OPEN FORUM

Mayor Funk inquired if anyone was present to speak to the Council in the Open Forum format.

An audience member said she would like to speak to Agenda item 5A Lakeside Drive Stop Sign Request and she would speak when the Agenda item is up.

CONSENT AGENDA

The consent items for consideration:

A. Approval of the following Minutes as submitted:

1. 11/13/18 Workshop Minutes
2. 11/13/18 Regular City Council Minutes

B. Claims Roster, Check #'s 58807-58871, October ACH payments, and the 11/15/18 Payroll for a grand total of \$783,880.41.

- C. Election Polling Places – Approve Resolution 2018-58, *A Resolution Designating Polling Place Locations for 2019 Elections*
- D. Well 2.5
 - 1. Approve Change Order No. 1 for Well 2.5 thereby increasing the contract amount for the Well 2.5 project by \$47,602.50 for Traut Companies *(to a total contract amount of \$597,273.50)*
 - 2. Approve Pay Request No. 1 in the amount of \$131,528.65 for Traut Companies.
- E. Floodplain Ordinance Summary - Approve Resolution 2018-59, *A Resolution Authorizing Summary Publication of Ordinance No. 429, by Title and Summary*
- F. Minor Subdivision – Approve Resolution 2018-60, *A Resolution Approving the Minor Subdivision and Lot Combination of the Parcels located at 1652 Church Lake Road and 8374 Victoria Drive*
- G. Contract for Temporary Consultant/Resignation of Finance Director:
 - 1. Authorize the City Manager to enter into a contract with a consultant to provide temporary Finance Director assistance until a new Finance Director begins employment.
 - 2. Acknowledge Finance Director letter of resignation.

On a motion by Funk, seconded by Vogt, to approve the consent agenda items as submitted.

Funk: Aye, Crowley: Aye, Gregory: Aye, Strigel: Aye, Vogt: Aye

Motion carried unanimously.

NEW BUSINESS

Lakeside Drive Stop Sign Request

City Engineer Geheren reviewed the residents' request for two stop signs, one at the intersection of Lakeside Drive and Woods Drive, and the other at the intersection of Lakeside Drive and Sorrel Court. The requests were reviewed and analyzed per City Council policy. The purpose of stop signs is to establish the right of way at an intersection, consistent with the Minnesota Manual of Traffic Control Devices. City Engineer Geheren also reviewed speed summary results from the Lakeside neighborhood and stop sign compliance data from a 2017 traffic study of similar intersections. Neither requested location meets warrants for an all way stop as outlined in the City's adopted Administrative Policy for Stop Sign Warrants; therefore, staff recommended denial of the requests.

Katie Harper, Woods Drive, Victoria, representing residents of Lakeside Estates and the Woods of Wassermann Lake, spoke in support of approving the stop sign requests. She stated the neighborhood's concern about the safety of children due to increased large-vehicle construction traffic and speeding where there are many young families.

Chris Simenson, Lakeside Drive, Victoria, representing 35 households in Laketown 9th Addition, also spoke in support of approving the stop sign requests. Residents are concerned about the safety of their 57 children in a neighborhood also experiencing an increased volume of large-vehicle construction traffic accessing County Road 11 through the neighborhood and a bend in the road which reduces clear sight lines.

Mayor Funk asked for a show of hands of residents of these affected neighborhoods; approximately 35 people raised their hand.

Mayor Funk stated that he has met with some of these residents and watched the traffic at the affected intersections. He stated that the Council had helped create this safety concern by allowing construction without a direct access road to Marsh Lake Road for construction vehicles and other traffic. There was discussion among Council Members and City Engineer Geheren about potential temporary improvements to access Marsh Lake Road until a permanent connection is established. There was also discussion about accelerating the timeline for paving Marsh Lake Road; City Engineer Geheren responded that the earliest paving could be done is in 2020 because Carver County needs time to do additional construction analysis and acquire right-of-way for the road.

Council Member Vogt stated that he supports the request for stop signs because common sense should prevail over policy in this situation. Council Members Gregory and Strigel echoed this view. Council Member Gregory raised the possibility of reevaluating the value of the stop signs after Marsh Lake Road is paved. Council Member Strigel suggested augmenting the new stop signs with “Stop Sign Ahead” and “Blind Driveway” to help increase compliance with speed limit and stop signs.

Mayor Funk stated the need for a documented process in which vehicle speed data collected during a traffic study is communicated to residents. He also requested that staff include the stop sign policy in the upcoming review of all Council policies. He further stated that he will seek swift approval of the Marsh Lake Road design in 2019 so that road construction can begin as soon as possible.

There were some questions for Public Works and Park and Recreation Director Ann Mahnke regarding placement and number of stop signs and related signage and installation time.

On a motion by Mayor Funk, seconded by Council Member Vogt, to approve the request to install stop signs and direct Public Works and Park and Recreation Director Ann Mahnke to work with residents to identify the number and placement of related signage (“Stop Sign Ahead” and “Blind Driveway”).

Motion carried unanimously.

2040 Comprehensive (Comp) Plan

Community Development Director Pat Smith introduced Brad Scheib, consultant with HKGi, to highlight Comprehensive Plan process and changes since last draft. This Comp Plan is a vision of what Victoria wants to become and a roadmap on how to get there. It is not a definitive course of action or a legally binding obligation of what must be done. Rather it is an aspirational document that describes in general terms what the community is to become and steps and actions that can help meet our community goals. Council Member Strigel added that the Comprehensive Plan is a guide, it is not the City’s plan of action, it is not for the City to cause development; it is a guide to preserve local decision making. For example, the greenway concept is a big idea, which needs community discussion. All of the Comprehensive Plan policies need to be balanced with private property rights in action.

The 2040 Comp plan, titled Our Victoria Tomorrow has been prepared by consultants and city staff with direction provided through a steering committee representing a broad cross section of the city. A required part of the plan update process is a public hearing to be conducted by the Planning Commission. That public hearing was conducted on Tuesday, November 20, 2018. The Planning Commission discussed various components of the plan and recommended to the City Council the draft plan be submitted to the Metropolitan Council with further research regarding Flex-Employment District; number of townhouses styles in any individual development; and working with the school district to find an appropriate location for a future high school.

Mr. Scheib reviewed the public involvement in creating this plan. Beginning in spring 2017 and continuing through November 2018, community members were invited to participate in online and in-person activities, including surveys; mapping tools; meetings with property owners, downtown business owners, and other key stakeholders; open houses; and city-wide mailing. All community input was reviewed by the Comprehensive Plan Steering Committee and conveyed to the Planning Commission.

Council Member Vogt asked how the growth areas were determined, and Mr. Scheib responded that both projected growth and infrastructure needs are key elements considered.

David Gestach, Victoria Drive, and member of the Comprehensive Plan Steering Committee, stated that the most difficult issue they faced is where to put the density to accommodate future growth. He spoke about complex discussions around issues regarding the Flex-Employment District and placement of future collector roads and their contours.

Mike Suel, Kenbridge Court, Lakeville, of D.R. Horton, representing the Vogel family stated their concern is that the high density residential zoning in the middle of the County Road 11 corridor will slow the adjacent development, and he would like it changed to medium density. Looking at lot lines, shifting this high density south could be a solution that works for everyone. Mr. Suel is concerned that the Metropolitan Council, which controls sewer permits, will not look kindly on the property owner seeking a change immediately after the Comprehensive Plan is adopted.

Brent Hislop, Synergy Land Company, working on behalf of Vogel family, will submit a formal concept approval in approximately 30 days and seeking plat approval in February. Once this plan goes to Metropolitan Council, it's more challenging to amend the Comp Plan. Mr. Hislop supports amending the plan regarding moving the high density residential (approximately 5 acres) farther south. Regarding transportation, he wants to modify alignment of major collector and be sensitive to natural features of the land.

Peter Knaeble, Golden Valley Land Company, representing same land issue around Welter and Vogel properties stated he anticipates submitting a concept plan within 30-60 days, which will meet the intent of the Comp Plan, although the sketch plan for this development may move the high density approximately 100 yards. Community Development Director Smith responded to a question from Mayor Funk, stating that staff would like to do some analysis on the issues presented and bring it back to the Council at the December 10, 2018 meeting for approval.

Delinquent Utilities

Public Works and Park and Recreation Director Mahnke reported on the final list of delinquent utilities bills. Also included is Sidewalk Panel Replacement and 8350 River Birch Court Water Main Repair amounts due to Carver County.

On a motion by Mayor Funk, seconded by Council Member Gregory, to approve Resolution 2018-61, *A Resolution Approving the Certification of Delinquent Utility Bills, Sidewalk Panel Replacement and 8350 River Birch Court Water Main Repair to the County for Collection with the 2019 Property Taxes*

Motion carried unanimously.

City Owned 13.5 Acre Pre-Development Agreement

Community Development Director Smith opened the discussion by reminding Council that at the November 13, 2018 City Council Work Session, Dean Dovolis, DJR Architects, presented a vision for the 13.5 acre site. The City Council generally favored the concept plan and directed staff to draft a preliminary development agreement, which is on the Council Agenda tonight. He reviewed the terms of the draft agreement and asked for Council approval. Community Development Director Smith presented a typical development scenario including a preliminary development agreement: four month analysis on marketing and financial feasibility; negotiate redevelopment agreement if concept plan is financially feasible; four to six months to secure City approvals and purchase price; and close on property.

Mr. Dovolis introduced several key members of the development team: Tim Thone of Thone Development, Woodbury and Keith Ulstad, Senior Vice President of Commercial Development at United Properties. Mr. Ulstad's background is in grocery and retail in mixed-use developments; he lives in Victoria.

Tim Amundson, Lakeside Drive, Victoria, addressed the Council on behalf of Rick Stucki to oppose the idea of exclusivity as a mistake at this time. He sees this as basic, simple fishing. Now that the Council has an opportunity to look at other developers, Council should do this. He stated that Mr. Stucki has \$100 million to bring in to the entire western part, not just the 13.5 acre parcel.

In response to a question from Council Member Strigel, City Attorney Vose stated that this agreement is not an agreement to purchase, but it's a fairly standard preliminary development agreement. There was Council discussion of Section 6 "Termination of Agreement." In response to a question from Council Member Crowley, Community Development Director Smith responded that there have been two previous similar preliminary development agreements on this property, both of which eventually fell apart. There was extended discussion about the pros and cons of this proposed agreement, focusing on the questions of exclusivity and the potential interest of other developers.

Mr. Dovolis, Mr. Thone, and Mr. Ulstad responded to many questions about the intent and duration of the preliminary development agreement, their financial stake in the development of this parcel, and their interest in working in the City. Mr. Amundson addressed the Council several times, restating his opposition to the exclusivity of this agreement and the existence of other potential developers with financing.

Council Member Vogt stated that the development team standing before the Council has financing and interest and is ready to embark on a four-month marketing and financial feasibility analysis, and he supports this process. Interim City Manager Reeder clarified that this agreement does not extend a right of first refusal to purchase the property.

Tracy Langheinrich, Kelzer Pond Drive, Victoria, spoke in support of this proposed agreement. Trying to decide where to open her business; there is no suitable property now in Victoria, and she is excited about this development.

On a motion by Council Member Gregory, seconded by Council Member Vogt, to approve the Draft Preliminary Development Agreement with DJR Architects and Thone Development as submitted.

Funk: Aye, Gregory: Aye, Strigel: Aye, Vogt: Aye, Crowley: Abstain for personal reasons

Motion carried four to one.

City Manager Profile

Interim City Manager Reeder reported that Dr. Fursman has prepared the draft profile for the recruitment of the next City Manager for the City of Victoria based on past meetings with the City Council and the surveys completed by the City Council Members and City Council Elect members. The profile will be used in the advertisements for the position and in the recruitment process. Interim City Manager Reeder asked the Council Members to closely review the dates, salary, out-of-town expense reimbursement as written and suggest any changes now. Interim City Manager Reeder identified some minor administrative changes noted by staff.

On a motion by Mayor Funk, seconded by Council Member Gregory, to approve the profile for the City Manager recruitment with the administrative changes noted by staff.

Motion carried unanimously.

“Victoria Residents First” Facebook Page

Interim City Manager Reeder stated that City Attorney Vose suggested that it would be good policy for the City Council to adopt a resolution which clearly states that the City Council finds that since the Mayor’s social media is not sponsored by the city, that the Mayor is responsible for any claims, suits or liability arising from his Facebook “Victoria Residents First” and is responsible for responding to data requests concerning this Facebook Page.

Sara Coon, Interlaken, Victoria, stated that Mayor Funk’s facebook page has the appearance of being an official City social media page and she was very upset when she saw a post that stated that a Victoria citizen had been banned from posting on this page. A few days later, additional people were banned from the site even though it states that the site stands for transparency, public input, and is for Victoria citizens. Ms. Coon made a data request to the City to obtain the names of those people banned and summary information about the site. Ms. Coon was informed by Interim City Manager Reeder that the City does not drive this page nor have any access to this page. Ms. Coon stated that she was unable to attain this information from Mayor Funk, which is why she is requesting it at this Council meeting.

Council Member Vogt stated that Mayor Funk’s Facebook page intentionally creates confusion among citizens who think this is a City site. Council Member Gregory stated that Council Members get to decide how to communicate with their constituents and for the City to say that the Mayor cannot have a website is ludicrous; the Mayor has as much right to participate in social media as anyone else. He reminded the Council that state law requires the city to indemnify the Mayor for actions taken as Mayor. In response to a question from Council Member Strigel, Mayor Funk stated that the three people banned from his site have been unbanned and he has no idea how many posts were banned. Council Member Crowley reminded the Council that as new Council Members they learned that the Council flies in formation, that is, when it makes a decision, Council Members go forward with that decision. Council Members are free to dissent from a personal perspective but not to confuse that with the City’s position.

There was discussion among Council Members and City Attorney Vose about how the state’s Department of Administration determines what is a government record per the Data Practices Act. Attorney Vose stated that the

Department of Administration does not agree that the Mayor's Facebook page is government records; however, Mayor Funk disagreed, citing several opinions from the Department of Administration on similar cases. On a motion by Council Member Strigel, seconded by Mayor Funk, to direct the City Attorney to seek an opinion from the Department of Administration as to whether the Mayor's Facebook page is public data and subject to the Data Practices Act.

Motion carried unanimously.

Interim City Manager Reeder requested that on his Facebook page, the Mayor refrain from characterizing staff as not adequate or doing the wrong thing. He stated that's what hurts staff morale more than anything else.

REPORTS OF THE CITY MANAGER

None

REPORTS OF THE MAYOR, COUNCIL MEMBERS, ATTORNEY

Council Member Vogt

Council member Vogt reported on the activities of the public health committee on which he represents the City.


ADJOURNMENT

On a motion by Mayor Funk, seconded by Council Member Strigel, to adjourn at 10:35 p.m.

Motion carried unanimously.

ATTEST:


Gwen Campbell, HR/Communications Manager


Thomas C. Funk, Mayor